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August 22, 2006

FDIC
AUG 30 2006
OFFICE OF THE CHAIRMAN

Federal Deposit Insurance Corporation
Attention: Sheila Blair, Chief
550 17th Street N.W.
Washington, D.C. 20429-9990

Re: Expansion of Industrial Banks

Dear Ms. Blair:

In response to your public announcement for feedback on this issue, I hasten to support the idea of "RESTRICTIONS", and the denial of expansion.

While the concept of free enterprise becomes an issue, there are certain industries that should be restricted in their expansion and control, i.e. banks, airlines, power companies, etc.

Allowing free expansion of industrial banks defeats the ability of the FDIC to control, monitor and examine as the FDIC is already under strains to monitor commercial banks and with the proliferation of retail monoliths, this would create a new venue for examining and control.

Further, it places banking functions inside retail establishments whose goals are not in sync with banking. Their goals will reflect expansion of personal credit without consideration of credit worthiness, whereas a banking environment should be more consistent in the extension of credit.

In looking at the issue from another viewpoint, banks are restricted from entering into any other businesses, i.e. retail functions in which they might like to participate. Hence what is good for the goose is not good for the gander, on this consideration.

The issue is what is best for the general health and welfare of the country. Weakening the banking system is not the best.

Yours truly,

GUARANTY BANK & TRUST COMPANY

H. M. Becker
Chairman

HMB/jj

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